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AssistIMPACT

Cooperative Agreement No. AID-182-A-12-00001
Quarterly Report 2
(For the period January – March 2013)

NAME OF PROJECT: Building Human and Institutional Capacity in Albania

Goals and Results to Be Achieved

The goal of the Building Human and Institutional Capacity (BHIC) project in Albania is to build the capacity of institutions, governmental, non-governmental and private sector, as well as leaders and technical experts who play a key role in Albania's development as it strives to bring about the reforms necessary for European integration. Within the Mission's overarching goal of *European integration through strengthened democratic institutions and inclusive economic growth*, Assist Impact focuses on building capacity to address the two stated Development Objectives of 1) *strengthened rule of law and improved governance* and 2) *conditions created for broad-based, sustainable and inclusive economic growth*. With substantial involvement of the Mission, Assist Impact provides a flexible approach to meeting capacity building needs that includes in-country, U.S., and third-country training of current and potential leaders and experts, institutional assessments of key private organizations/public institutions, targeted technical assistance and focused grants.

By the end of the three-year period, BHIC will achieve the following results:

- Strengthen the performance of at least 5 Albanian central and local governmental organizations, including Albanian ministries and municipalities.
- Strengthen the performance of at least 15 (approximately 5 per year) Albanian non-governmental organizations and private sector entities, including associations, civil society organizations and small and medium enterprises (SMEs).
- Build the performance of at least 45 (approximately 15 per year) leaders of Albanian governmental, private sector and non-governmental organizations and institutions – across sectors including business, economics, human rights, governance and democracy.
- Build the expertise of at least 45 (approximately 15 per year) technical specialists – across sectors including business, economics, human rights, governance and democracy.

Indicator	Target for FY 2013		Actual for this period		programs this period	Cumulative for FY 2013	
Number of government institutions receiving capacity building assistance	2		1		Central Elections Cmt	2	
Number of non-governmental institutions receiving capacity building assistance	5		5		banks, continued	5	
Number of gov. institutions that have removed a barrier or constraint to improving performance	2		0			0	
Number of non-gov. institutions that have removed a barrier or constraint to improving performance	5		1		BKT	1	
	men	women	men	women		men	women
Number of leaders trained, mentored, receiving technical assistance or grants	7	8	4	3	CEC members	4	3
Number of technical specialists trained, mentored or receiving technical assistance or grants	7	8	229	56	Ag capital access; CEC staff; Magistrate students-insolvency	600	98
Number of leaders whose performance has been	7	8	0	0		0	0
Number of technical specialists whose performance has been improved	7	8	0	0		0	0

NOTE: an individual attending/receiving multiple capacity building activities within a program will be counted only once. An individual participating in multiple programs will be counted per program. Institutions will be counted only once.

PROJECT-FUNDED TRAINING & TECHNICAL ASSISTANCE THIS PERIOD

	US Training	In-Country Training	Third Country Training	Technical Assistance	Institutional Assessments	Grants
# of Participants/ beneficiaries	0	17	11	264	0	0
Male	0	8	5	220		
Female	0	9	6	44		
# of gov't institutions	0	0	1		0	
# of non-gov't institutions	0	0	0	5 banks continued	0	
# of Interventions	0	1	1	2	0	0
Major Sectors		Rule of law & improved governance	Rule of law & improved governance	Economic Growth, Rule of law		
Programs		Magistrate students - insolvency	CEC training	Access to ag capital (IPARD grants) for agribusiness & banks;		

MAIN ACTIVITIES OF THIS PERIOD

1) PROJECT MANAGEMENT AND OFFICE SET-UP

Furniture/equipment items were requested from another USAID-funded project and were delivered March 2013.

Considerable effort continued to be devoted to refining documents in order to provide the Agreement Officer with all the information she required for approval of program providers. A visit January 17 by Ms. Mischere Kawas from the USAID contracting/agreements office in Kosovo proved very helpful to clarify a number of issues. Soon thereafter, guidance was provided raising the ceiling to \$20,000 for which approval must be obtained for selection of program related providers.

Assist Impact discovered that some of its procedures used for grant administration in the past must be revised and Ms. Kawas provided helpful guidance. These revisions have yet to be done.

Assist Impact continues to appreciate the considerable effort USAID has gone to in order to help Assist Impact understand and meet its agreement requirements.

World Learning's sub-award

World Learning provided input and guidance on the following areas:

Compliance: World Learning provided guidance regarding a possible format and content of a sub-agreement template for non-US NGOs ensuring incorporation of all required provisions. In addition, World Learning provided input to Assist Impact's questions regarding the type of contract/agreement mechanism to use for the PPP Support organizations and Domestic Elections Monitoring.

Assessments: The assessment trip planned for Q3 2013 was postponed due to the approaching June 2013 elections which may lead to considerable change in the Central Inspectorate, the main institution planned for the assessment.

Procurement of experts: World Learning received the SOW for an International Expert for the Public Private Partnerships Support Project in January, helping to refine the final product and contacting a number of consultants in the US, after discussion with Assist Impact. After a first attempt did not identify available, well qualified experts, Assist Impact reviewed CVs from an additional eight individuals. Ultimately, Edward (Ned) White, an US-based independent consultant with extensive experience in PPP, work experience in Albania, and co-founder and former Executive Director of IP3, was selected as the consultant. In February, World Learning drew up the contract for Mr. White, and processed it for signature, along with his W9 form. Once the contract was signed, World Learning requested a wire transfer in the amount of five days of consulting fee and reimbursed Mr. White for his airfare, in addition to purchasing his medical insurance. M&IE was provided by Assist Impact upon arrival in Albania and lodging was paid directly by Assist Impact upon departure. As this consultancy extends over a year's

time, World Learning will review all interim and final reports and, pending approval by AI, will request interim and final payments, upon receipt of the consultant's invoice.

Reports:

Financial reports with actual versus budgeted expenses as well as the 'checkbook' showing program related costs were provided to the Agreement Officer's Representative on a monthly basis. Advance requests and liquidation of advances were submitted as stipulated in the Cooperative Agreement. At USAID's request, due to changes in its regional financial management center, liquidation reporting will be submitted monthly until further notice.

The Intervention Plan was updated in February 2013 to more correctly reflect likely costs and interventions planned. The first quarterly narrative report was submitted in a timely fashion.

2) PROGRAM INTERVENTIONS

Training, Technical Assistance and Grants

Regarding capacity building programs, one third-country training for the seven members of the Central Elections Committee and four staff was begun and completed. This program required a considerable amount of coordination with OSCE. Assist Impact's role was to procure and pay for the venue, transportation to Budva, Montenegro and cover lodging and per diem for 11 participants.

Another program procured and begun last period and continued/completed this period provided Technical Assistance to increase access to capital for agribusiness through training and individual advice regarding opportunities and application requirements of EU funding IPARD-like grants to agriculture. During Q2, an additional 220 men and 44 women from agribusiness and banks were trained, far exceeding expectations for the program that reached a total of 591 men and 86 women trained. Of those trained, 69 requested and received coaching for the application process. Due especially to the difficulty of obtaining construction permits, all but nine dropped out of the process. The nine that applied for IPARD-like funding, are still awaiting the results of the evaluation of applications. Of the five participating banks, not only are the department managers aware of the IPARD technical criteria but also the top-level bank directors and regional loan officers. All planned to make changes to their loan products and processes in order to better accommodate loans for IPARD-like grants. These changes will be an indication of improved performance, once carried out. Two of the banks, BKT and Credins, report that they have already removed a barrier to improved performance, having, since this training, established a special agro-loan department with dedicated loan officers responsible for targets for agro loans.

Another program this period addressed the need for the training of judges in insolvency/bankruptcy law and procedures. A Memorandum of Understanding was signed with the Magistrate School. The trainer provided a well-received intensive course at the Magistrate School for all 17 second year students. Several with excellent English, solid understanding and a desire to contribute were selected to assist in updating the book and providing interpretation and logistical support for the eight one-day seminars planned to train practicing judges.

A major effort to provide local government units with needed support and expertise for Public-Private Partnerships (PPP) began towards the end of Q2. A highly qualified international expert was procured as well and three local organizations. The PPP projects are: energy efficient public lighting in the municipality of Fier supported by Co-Plan; recycling management in Berat supported by Urban Research Institute and public parking administration in Korca, supported by the Regional Development Agency of Korca. The international expert visited all three municipalities to learning more about the projects and the three organizations he will advise, at a distance, during this year-long-plus effort. During his visits, he emphasized the need for realistic goals and strong involvement of stakeholders. This technical assistance does not figure in the statistics reported above and it just began the very end of Q2. It will be reported next period.

A major program for Domestic Monitoring of Elections was procured during this period with an official start date in early April. The Coalition of Domestic Monitors led by three main local organizations and composed of approximately 30 local organizations will recruit, train and deploy local fixed and mobile observers for both polling and ballot counting.

A small program to support the Association of Journalists for Justice for content on its website was approved, although matters regarding documents needed to obtain a tax number and bank account delayed the start until early April. In addition to supporting web content, Assist Impact will assist this newly formed organization with basic financial management.

A program to identify and recognize impartial judges was developed and submitted but not approved by the Mission.

Assessments

Institutional Assessments planned tentatively for Q3 were postponed until Q1 of FY2014. The main focus of the assessment was to be the Central State Inspectorate, an institution likely to be greatly affected by the results of the June 2013 elections. It is hoped that by late September or early October, any changes in the Inspectorate's leadership resulting from the election will be in place. Since the assessments were postponed, of course the performance solutions listed on the Intervention Plan were postponed.

J-1 Visa Processing Services

	This Period	FY 2013	Cumulative
# of contractors provided services for	0	1	1
# of trainees processed for other contractors	0	3	3

No J-1 visas were processed during this period.

3) RESULTS

It is still early to fully assess performance improvement results but the discussion above regarding access to capital for the agricultural sector already show two banks as having removed a barrier to performance improvement.

The Central Election Committee, although fraught with political issues, has started to work on improved rules of procedures as a direct outcome of the training they received. Finalization and implementation of these rules will constitute the removal of a barrier to performance improvement. They also have plans to develop a strategic plan and conduct an evaluation, both ideas resulting from the training.

4) IMPLEMENTATION ISSUES

Contractual

Assist Impact will continue to need guidance and assistance to fully understand certain requirements of its cooperative agreement and formats/procedures for meeting those requirements. The contracting (agreement) office in Kosovo provided invaluable assistance in this direction, with an agreement officer (AO) dedicating an entire day during a visit in January to such issues as the need for AO approval on even minor program-related service providers, procurement policy including increasing completion, clarity on best-value criterion, the necessary format in the recommendation memo of addressing each evaluation criteria with strengths and weaknesses, significant or deficient, the need to document the negotiation of any concerns in the recommendation memo or the document containing the implementation plan, some grants management information and the need for a short term consultant to provide support to Assist Impact regarding these matters.

The very large number of men trained during the Access to Capital for Agriculture program will render it extremely difficult to reach the target of 50% women trained.

The start of a senior program officer originally planned for April has been postponed until July due to her other obligations.

Financial

Assist Impact sees no significant cost overruns. The Executive (Project) Direction/senior capacity development expert continued to work well above the 80% level of effort foreseen due to the unexpectedly steep learning curve in project management mentioned above. This increase in level of effort may be compensated for in savings in other administrative expenses and/or a lower level of effort at a later date.